GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2204
ANSWERED ON:29.11.2016
Subsidy Benefits to Small Farmers
Chowdhury Shri Adhir Ranjan

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the small and marginal farmers of the country have not reaped the benefit of subsidy and if so, the details thereof and the reaction of the Government thereto; and

(b) the details of subsidy given to farmers by the Government during each of the last two years, State-wise and fertilizer-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERILIZERS, SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI MANSUKH L. MANDAVIYA)

(a): Urea is made available to all farmers at statutorily fixed/controlled price by the Government which is at present Rs. 5360/- per MT (exclusive of 1% central excise duty, central sales tax, countervailing duty, the sales tax and other local taxes wherever levied) w.e.f. 1.11. 2012.

The difference between the delivered cost of fertilizers at farm gate and net market
realization by the urea units is given as subsidy to the urea manufacturer/ importer by the Government of India.

In case of P&K fertilizers, the NBS Policy is being implemented w.e.f. 1.4.2010 under which a fixed amount of subsidy decided on annual basis is provided on each grade of subsidized P&K fertilizers based on their nutrient content. The P&K fertilizers are available in the market at less than the delivered price, to the extent of subsidy.
Hence, every farmer who is buying Urea and P&K fertilizer bags is availing the benefit of the fertilizer subsidy.

(b): Product-wise subsidy details during the year 2014-15 to 2015-16 are annexed as per Annexure - 'A'. Since the subsidy is released to the companies directly, State-wise figures of subsidy release are not maintained.

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